

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

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DRAFFIN/MORGAN
FEBRUARY 17, 2010

CLERK OF THE HOUSE

REP. WHITE PROPOSES THE FOLLOWING AMENDMENT
No. TO H. 4478 (DOCUMENTS AND
SETTINGS\RENAGRANT\LOCAL
SETTINGS\TEMPORARY INTERNET
FILES\CONTENT.OUTLOOK\T6ZU7IPO\19864SD10):

AMEND THE AMENDMENT BY REP. WHITE DATED
FEBRUARY 8, 2010 (DOC No.
COUNCIL/AGM/19837SD10), AS AND IF
AMENDED, BY ADDING THE FOLLOWING NEW
SENTENCE AT THE END OF SUBSECTION (B) OF
SECTION 2 ON PAGE 5 TO READ:

/ THE COORDINATING COUNCIL FOR ECONOMIC
DEVELOPMENT SHALL ANNUALLY PROVIDE BY
MARCH FIFTEENTH OF EACH YEAR TO THE
CHAIRMAN OF SENATE FINANCE AND THE HOUSE

WAYS AND MEANS A REPORT DETAILING THE AWARDS THAT IT MADE IN THE PRIOR YEAR UNDER THE PROGRAM. /

AMEND THE AMENDMENT FURTHER, BY STRIKING SECTION 11 IN ITS ENTIRETY WHICH BEGINS ON PAGE 44.

AMEND THE AMENDMENT FURTHER, BY STRIKING SUBSECTION (K)(1)(A) OF SECTION 12-6-3360 OF THE 1976 CODE AS CONTAINED IN SECTION 13 WHICH BEGINS ON PAGE 54 AND INSERTING:

/ (A) THE AMOUNT OF THE CREDIT ALLOWED A SHAREHOLDER, PARTNER, OR MEMBER BY THIS SUBSECTION IS EQUAL TO THE SHAREHOLDER'S PERCENTAGE OF STOCK OWNERSHIP, PARTNER'S INTEREST IN THE PARTNERSHIP, OR MEMBER'S INTEREST IN THE LIMITED LIABILITY COMPANY FOR THE TAXABLE YEAR MULTIPLIED BY THE AMOUNT OF THE CREDIT EARNED BY THE ENTITY. THIS NONREFUNDABLE CREDIT IS ALLOWED

AGAINST TAXES DUE UNDER SECTION 12-6-510 OR 12-6-530 AND BANK TAXES IMPOSED PURSUANT TO CHAPTER 11 OF THIS TITLE AND MAY NOT EXCEED FIFTY PERCENT OF THE SHAREHOLDERS, PARTNERS, OR MEMBERS TAX LIABILITY UNDER SECTION 12-6-510 OR 12-6-530 OR BANK TAX LIABILITY IMPOSED PURSUANT TO CHAPTER 11 OF THIS TITLE. /

AMEND THE AMENDMENT FURTHER, BY STRIKING ITEM (10) OF SUBSECTION (L) OF SECTION 12-6-3360 AS CONTAINED IN SECTION 13 ON PAGE 59 AND INSERTING:

/ (10) CORPORATE OFFICE FACILITY MEANS A CORPORATE HEADQUARTERS THAT MEETS THE DEFINITION OF A CORPORATE HEADQUARTERS CONTAINED IN SECTION 12-6-3410(J)(1). THE CORPORATE HEADQUARTERS OF A GENERAL CONTRACTOR LICENSED BY THE SOUTH CAROLINA DEPARTMENT OF LABOR, LICENSING AND REGULATION QUALIFIES EVEN IF IT IS NOT A

REGIONAL OR NATIONAL HEADQUARTERS AS THOSE TERMS ARE DEFINED IN SECTION 12-6-3410(J)(1). /

AMEND THE AMENDMENT FURTHER, BY STRIKING SECTION 12-6-3375 OF THE 1976 CODE AS CONTAINED IN SECTION 14 AND INSERTING:

/ “SECTION 12-6-3375. (A)(1) A TAXPAYER ENGAGED IN MANUFACTURING, WAREHOUSING, OR DISTRIBUTION WHICH USES PORT FACILITIES IN THIS STATE AND WHICH INCREASES ITS PORT CARGO VOLUME AT THESE FACILITIES BY A MINIMUM OF FIVE PERCENT IN A SINGLE CALENDAR YEAR OVER ITS BASE YEAR PORT CARGO VOLUME IS ELIGIBLE TO CLAIM A AN INCOME TAX CREDIT OR A CREDIT AGAINST EMPLOYEE WITHHOLDING IN THE AMOUNT DETERMINED BY THE ~~COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT (COUNCIL)~~ STATE PORTS AUTHORITY BOARD.

(2) THE MAXIMUM AMOUNT OF TAX CREDITS ALLOWED TO ALL QUALIFYING TAXPAYERS PURSUANT TO THIS SECTION MAY NOT EXCEED EIGHT MILLION DOLLARS FOR EACH CALENDAR YEAR AND CREDITS AGAINST EMPLOYEE WITHHOLDINGS MAY NOT EXCEED FOUR MILLION DOLLARS OUT OF EIGHT MILLION DOLLARS. ~~A QUALIFYING TAXPAYER MAY NOT RECEIVE MORE THAN ONE MILLION DOLLARS FOR EACH CALENDAR YEAR EXCEPT AS PROVIDED IN SUBSECTION (B)(2).~~ THE ~~COUNCIL~~ BOARD HAS SOLE DISCRETION IN ALLOCATING THE CREDITS PROVIDED BY THIS SECTION ON A PRIORITY BASIS OR SUCH OTHER BASIS AS THE BOARD DEEMS APPROPRIATE, TAKING INTO CONSIDERATION THE FOLLOWING FACTORS:

(A) THE AMOUNT OF BASE YEAR PORT CARGO VOLUME;

(B) THE TOTAL AND PERCENTAGE INCREASE IN PORT CARGO VOLUME;

(C) THE NUMBER OF QUALIFYING TAXPAYERS;

(D) THE TYPE OF CARGO TRANSPORTED; AND

(E) OTHER FACTORS RELATED TO THE ECONOMIC BENEFIT OF THE STATE, AS DETERMINED BY THE ~~COUNCIL~~ BOARD.

(3) IF THE CREDIT EXCEEDS THE TAXPAYER'S TAX LIABILITY FOR THE TAXABLE YEAR, THE EXCESS AMOUNT MAY BE CARRIED FORWARD AND CLAIMED AGAINST INCOME TAXES IN THE NEXT FIVE SUCCEEDING TAXABLE YEARS.

(4) THE CREDIT MAY BE CLAIMED BY THE TAXPAYER AS PROVIDED IN (A)(1) ONLY IF THE TAXPAYER OWNS THE CARGO AT THE TIME THE PORT FACILITIES ARE USED.

(B)(1) FOR EVERY YEAR IN WHICH A TAXPAYER CLAIMS THE CREDIT, THE TAXPAYER SHALL SUBMIT AN APPLICATION TO THE ~~COUNCIL~~ BY MARCH FIRST OF THE CALENDAR YEAR BOARD AFTER THE CALENDAR YEAR IN WHICH THE INCREASE IN PORT CARGO VOLUME OCCURS. THE BOARD MAY MAKE ALLOCATIONS OF THE CREDIT ON A MONTHLY, QUARTERLY, OR ANNUAL BASIS. THE TAXPAYER SHALL ATTACH A SCHEDULE TO THE TAXPAYER'S APPLICATION TO THE ~~COUNCIL~~ BOARD WITH THE FOLLOWING INFORMATION AND INFORMATION REQUESTED BY THE ~~COUNCIL~~ BOARD OR THE DEPARTMENT:

(A) A DESCRIPTION OF HOW THE BASE YEAR PORT CARGO VOLUME AND THE INCREASE IN PORT CARGO VOLUME WAS DETERMINED;

(B) THE AMOUNT OF THE BASE YEAR PORT CARGO VOLUME;

(C) THE AMOUNT OF THE INCREASE IN PORT CARGO VOLUME FOR THE TAXABLE YEAR STATED BOTH AS A PERCENTAGE INCREASE AND AS A TOTAL INCREASE IN NET TONS OF NONCONTAINERIZED CARGO AND TEUS OF CARGO, INCLUDING

INFORMATION WHICH DEMONSTRATES AN INCREASE IN PORT CARGO VOLUME IN EXCESS OF THE MINIMUM AMOUNT REQUIRED TO CLAIM THE TAX CREDITS PURSUANT TO THIS SECTION;

(D) ANY TAX CREDIT UTILIZED BY THE TAXPAYER IN PRIOR YEARS; AND-

(E) THE AMOUNT OF TAX CREDIT CARRIED OVER FROM PRIOR YEARS.

~~(2) IF ON MARCH FIFTEENTH OF EACH YEAR, THE EIGHT MILLION DOLLAR AMOUNT OF CREDIT IS NOT FULLY ALLOCATED AMONG QUALIFYING TAXPAYERS, THEN THOSE TAXPAYERS WHO HAVE BEEN ALLOCATED THE MAXIMUM ONE MILLION DOLLAR CREDIT FOR A YEAR MUST BE ALLOWED A PRO RATA SHARE OF THE REMAINING ALLOCATED CREDIT UP TO EIGHT MILLION DOLLARS.~~

(3) TO RECEIVE THE CREDIT THE TAXPAYER SHALL CLAIM THE CREDIT ON ITS INCOME TAX OR WITHHOLDING RETURN IN A MANNER PRESCRIBED BY THE DEPARTMENT. THE DEPARTMENT MAY REQUIRE A COPY OF THE CERTIFICATION FORM ISSUED BY THE ~~COUNCIL~~ BOARD BE ATTACHED TO THE RETURN OR OTHERWISE PROVIDED.

(C) AS USED IN THIS SECTION:

(1) 'TEU' MEANS A 'TWENTY-FOOT EQUIVALENT UNIT'; A VOLUMETRIC MEASURE BASED ON THE SIZE OF A CONTAINER TWENTY FEET LONG BY EIGHT FEET WIDE BY EIGHT FEET, SIX INCHES HIGH.

(2) 'BASE YEAR PORT CARGO VOLUME' INITIALLY MEANS THE TOTAL AMOUNT OF NET TONS OF NONCONTAINERIZED CARGO OR TEUS OF CARGO ACTUALLY TRANSPORTED BY WAY OF A WATERBORNE SHIP THROUGH A PORT FACILITY DURING THE PERIOD FROM JANUARY 1, ~~2005~~ 2009, THROUGH DECEMBER 31, ~~2005~~ 2009. BASE YEAR PORT CARGO VOLUME MUST BE AT LEAST SEVENTY-FIVE NET TONS OF NONCONTAINERIZED CARGO OR TEN TEUS FOR A TAXPAYER TO BE ELIGIBLE FOR THE CREDITS PROVIDED IN THIS SECTION. FOR A TAXPAYER THAT DOES NOT SHIP THAT AMOUNT IN THE YEAR ENDING DECEMBER 31, ~~2005~~ 2009, INCLUDING A TAXPAYER WHO LOCATES IN

SOUTH CAROLINA AFTER DECEMBER 31, ~~2005~~ 2009, ITS BASE CARGO VOLUME WILL BE MEASURED BY THE INITIAL JANUARY FIRST THROUGH DECEMBER THIRTY-FIRST CALENDAR YEAR IN WHICH IT MEETS THE REQUIREMENTS OF SEVENTY-FIVE NET TONS OF NONCONTAINERIZED CARGO OR TEN LOADED TEUs. BASE YEAR PORT CARGO VOLUME MUST BE RECALCULATED EACH CALENDAR YEAR AFTER THE INITIAL BASE YEAR.

(3) 'PORT FACILITY' MEANS ANY PUBLICLY OR PRIVATELY OWNED FACILITY LOCATED WITHIN THIS STATE THROUGH WHICH CARGO IS TRANSPORTED BY WAY OF A WATERBORNE SHIP OR VEHICLE TO OR FROM DESTINATIONS OUTSIDE THIS STATE AND WHICH HANDLES CARGO OWNED BY THIRD PARTIES IN ADDITION TO CARGO OWNED BY THE PORT FACILITY'S OWNER.

(4) 'PORT CARGO VOLUME' MEANS THE TOTAL AMOUNT OF NET TONS OF NONCONTAINERIZED CARGO OR CONTAINERS MEASURED IN TWENTY-FOOT EQUIVALENT UNITS (TEUs) OF CARGO TRANSPORTED BY WAY OF A WATERBORNE SHIP OR VEHICLE THROUGH A PORT FACILITY.

(D) THE SOUTH CAROLINA STATE PORTS AUTHORITY BOARD MAY ANNUALLY AWARD UP TO ONE MILLION DOLLARS OF THE EIGHT MILLION DOLLARS OF CREDITS TO A NEW WAREHOUSE OR DISTRIBUTION FACILITY WHICH COMMITS TO EXPENDING AT LEAST FORTY MILLION DOLLARS AT A SINGLE SITE AND CREATING ONE HUNDRED NEW FULL-TIME JOBS, AND THE BASE YEAR CARGO PROVISIONS CONTAINED IN THIS SECTION DO NOT APPLY. THE BOARD MAY MAKE THE AWARD IN THE YEAR THE FACILITY IS ANNOUNCED PROVIDED THAT IT MAY NOT TENDER THE CERTIFICATE UNTIL IT HAS RECEIVED SATISFACTORY PROOF THAT THE CAPITAL INVESTMENT AND JOB CREATION REQUIREMENTS HAVE, OR WILL BE, SATISFIED. ANY CREDIT CERTIFICATE EXPIRES THREE YEARS AFTER ISSUANCE IF SATISFACTORY PROOF HAS NOT BEEN RECEIVED.

(DE) NOTWITHSTANDING SECTION 12-54-240, THE DEPARTMENT AND THE ~~DEPARTMENT OF COMMERCE~~ BOARD MAY EXCHANGE INFORMATION SUBMITTED BY A TAXPAYER PURSUANT TO THIS SECTION.” /

AMEND THE AMENDMENT FURTHER, BY STRIKING SECTION 16 IN ITS ENTIRETY AND INSERTING:

/SECTION 16.A. TITLE 6, CHAPTER 12 OF THE 1976 CODE IS AMENDED BY ADDING:

“SECTION 12-6-3411. A CORPORATION ESTABLISHING A NATIONAL CORPORATE HEADQUARTERS IN THIS STATE OR EXPANDING OR ADDING TO AN EXISTING NATIONAL CORPORATE HEADQUARTERS, WHICH IN CONNECTION THEREWITH ADDS AT LEAST FIFTY NEW FULL-TIME JOBS PERFORMING CORPORATE HEADQUARTERS RELATED FUNCTIONS AND SERVICES AS DEFINED IN SECTION 12-6-3410 SHALL BE EXEMPT FROM PAYING STATE CORPORATE INCOME TAXES IMPOSED UNDER SECTION 12-6-530 FOR A PERIOD OF TEN YEARS FROM THE DATE OF ESTABLISHMENT.”

B. CHAPTER 15, TITLE 12 OF THE 1976 CODE IS AMENDED BY ADDING:

“SECTION 12-15-35. A FACILITY QUALIFYING UNDER SECTION 12-15-20 AND SECTION 12-15-30 SHALL BE EXEMPT FROM STATE CORPORATE INCOME TAXES IMPOSED UNDER SECTION 12-6-530 FOR A PERIOD OF TEN YEARS FROM THE DATE OF ITS QUALIFICATION.” /

RENUMBER SECTIONS TO CONFORM.

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

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DRAFFIN/MORGAN
FEBRUARY 12, 2010

CLERK OF THE HOUSE

REP. LOFTIS PROPOSES THE FOLLOWING AMENDMENT
No. TO H. 4478 (COUNCIL\AGM\19851SD10):

REFERENCE IS TO THE BILL AS INTRODUCED.

AMEND THE BILL, AS AND IF AMENDED, BY
ADDING AN APPROPRIATELY NUMBERED
SECTION TO READ:

/SECTION ____A. ARTICLE 25, CHAPTER 6,
TITLE 12 OF THE 1976 CODE IS AMENDED BY
ADDING:

“SECTION 12-6-3586. (A) AS USED IN THIS
SECTION:

(1) SOLAR ENERGY EQUIPMENT IS
EQUIPMENT THAT USES SOLAR RADIATION AS A

SUBSTITUTE FOR TRADITIONAL ENERGY FOR WATER HEATING, ACTIVE SPACE HEATING AND COOLING, PASSIVE HEATING, DAYLIGHTING, GENERATING ELECTRICITY, DISTILLATION, DESALINATION, DETOXIFICATION, OR THE PRODUCTION OF INDUSTRIAL OR COMMERCIAL PROCESS HEAT. THE TERM ALSO INCLUDES RELATED DEVICES NECESSARY FOR COLLECTING, STORING, EXCHANGING, CONDITIONING, OR CONVERTING SOLAR ENERGY TO OTHER USEFUL FORMS OF ENERGY.

(2) TAX LIABILITY. INCLUDES INCOME TAXES IMPOSED PURSUANT TO THIS CHAPTER, LICENSE TAXES IMPOSED PURSUANT TO CHAPTER 20 OF THIS TITLE, BANK AND BUILDING AND LOAN TAXES IMPOSED PURSUANT TO CHAPTERS 11 AND 13 OF THIS TITLE, AND PREMIUM TAXES IMPOSED PURSUANT TO TITLE 38.

(B) IF A TAXPAYER THAT HAS PURCHASED SOLAR ENERGY EQUIPMENT PLACES IT IN SERVICE IN THIS STATE DURING THE TAXABLE YEAR, THE TAXPAYER IS ALLOWED A CREDIT

AGAINST HIS TAX LIABILITY EQUAL TO THIRTY-FIVE PERCENT OF THE COST OF THE EQUIPMENT. IN THE CASE OF SOLAR ENERGY EQUIPMENT THAT SERVES A SINGLE-FAMILY DWELLING, THE CREDIT MUST BE TAKEN FOR THE TAXABLE YEAR IN WHICH THE EQUIPMENT IS PLACED IN SERVICE. UNUSED CREDIT WITH RESPECT TO A SINGLE FAMILY DWELLING MAY BE CARRIED FORWARD TO THE TEN SUCCEEDING TAXABLE YEARS. FOR ALL OTHER SOLAR ENERGY EQUIPMENT, THE ENTIRE CREDIT MAY NOT BE TAKEN FOR THE TAXABLE YEAR IN WHICH THE EQUIPMENT IS PLACED IN SERVICE BUT MUST BE TAKEN IN FIVE EQUAL ANNUAL INSTALLMENTS BEGINNING WITH THE TAXABLE YEAR IN WHICH THE EQUIPMENT IS PLACED IN SERVICE AND SUBJECT TO THIS ANNUAL LIMIT, UNUSED CREDIT MAY BE CARRIED FORWARD FOR TAXABLE YEARS SIX THROUGH FIFTEEN SUCCEEDING THE YEAR THE EQUIPMENT WAS PLACED IN SERVICE.

(C) IF, IN ONE OF THE YEARS IN WHICH THE INSTALLMENT OF A CREDIT ACCRUES, THE SOLAR ENERGY EQUIPMENT WITH RESPECT TO WHICH THE CREDIT WAS CLAIMED IS DISPOSED OF, TAKEN OUT OF SERVICE, OR MOVED OUT OF STATE, THE CREDIT EXPIRES AND THE TAXPAYER MAY NOT TAKE ANY REMAINING INSTALLMENT OF THE CREDIT. THE TAXPAYER HOWEVER, MAY TAKE THE PORTION OF AN INSTALLMENT THAT ACCRUED IN A PREVIOUS YEAR AND WAS CARRIED FORWARD TO THE EXTENT PERMITTED PURSUANT TO SUBSECTION (B) OF THIS SECTION. NO CREDIT IS ALLOWED PURSUANT TO THIS SECTION TO THE EXTENT THE COST OF THE SOLAR ENERGY EQUIPMENT WAS PROVIDED BY PUBLIC FUNDS AND THE AMOUNT OF ANY CREDIT ALLOWED PURSUANT TO THIS SECTION MUST BE REDUCED BY ANY CREDIT CLAIMED PURSUANT TO SECTION 12-6-3587 OR ANY OTHER CREDIT ALLOWED PURSUANT TO THIS TITLE FOR SOLAR ENERGY EQUIPMENT. IN NO CASE MAY A CREDIT ALLOWED PURSUANT TO THIS SECTION EXCEED

ONE HALF OF THE TAXPAYER'S TAX LIABILITY FOR A TAXABLE YEAR.

(D) THE CREDIT ALLOWED BY THIS SECTION MAY NOT EXCEED THE APPLICABLE CEILINGS PROVIDED IN THIS SUBSECTION.

(1) A CEILING OF TWO MILLION FIVE HUNDRED THOUSAND DOLLARS FOR EACH INSTALLATION APPLIES TO SOLAR ENERGY EQUIPMENT PLACED IN SERVICE FOR ANY PURPOSE OTHER THAN RESIDENTIAL.

(2) THE FOLLOWING CEILINGS APPLY TO SOLAR ENERGY EQUIPMENT PLACED IN SERVICE FOR RESIDENTIAL PURPOSES:

(A) ONE THOUSAND FOUR HUNDRED DOLLARS FOR EACH DWELLING UNIT FOR SOLAR ENERGY EQUIPMENT FOR DOMESTIC WATER HEATING, INCLUDING POOL HEATING;

(B) THREE THOUSAND FIVE HUNDRED DOLLARS FOR EACH DWELLING UNIT FOR SOLAR ENERGY EQUIPMENT FOR ACTIVE SPACE HEATING, COMBINED ACTIVE SPACE AND

DOMESTIC HOT WATER SYSTEMS, AND PASSIVE SPACE HEATING;

(C) TEN THOUSAND FIVE HUNDRED DOLLARS FOR EACH INSTALLATION FOR ANY OTHER SOLAR ENERGY EQUIPMENT FOR RESIDENTIAL PURPOSES.”

B. THIS SECTION TAKES EFFECT UPON APPROVAL BY THE GOVERNOR AND APPLIES FOR INSTALLATIONS OF SOLAR ENERGY EQUIPMENT PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER 2009. /

**RENUMBER SECTIONS TO CONFORM.
AMEND TITLE TO CONFORM.**

MEMORANDUM – DRAFT

Date: January 30, 2010

To: Rep Dwight Loftis

From: Patrick Hassell

Re: Commercial Solar Economic Impact – Jobs Creation in South Carolina

Overview

The purpose of this Memorandum is to provide experiential commentary and data surrounding labor requirements for a typical commercial solar power installation and accompanying ancillary professional support services to complete a project. This assessment compares base-line Federal Government job estimates as related to dollars of commerce conducted with what are to be believed as reasonable expectations for direct job creation in the State of SC. Inputs for these assessments are based upon real world experience in commercial solar implementation.

Summary

With underlying assumptions as stated (Appendix I), it is reasonable to expect the following number of equivalent man-years to be created over a 5 year period for commercial rooftop solar power integration in the State of SC:

Solar PV Installed Target:	<u>100 MW</u>
Direct Jobs Created in SC:	764

These figures relate directly to commercial Solar PV installation labor, management and administrative labor, sales & marketing positions, architectural and engineering functions and operations and maintenance functions. These figures do not include:

- any allocation for SC based government/regulation positions, financial, legal, accounting, utility, distribution, transportation and roofing positions.
- Residential Solar PV installations
- Solar Thermal (hot water) commercial or residential installations

Appendix I

Assumptions and Calculation Basis

Figures presented are for direct positions within state of SC

Commercial Solar Economic Impact Analysis (Job focus)								
100 MW Target (75 MW for 250kW sized systems; 25MW for 1,000kW sized systems)								
Commercial Size (250kW)								
System Size	Headcount	Duration (weeks)	Weekly Labor (hrs)	Effective Man Hours	Labor Rate (\$/hr)	Target MW	Total ManHrs	Man Yrs (2000hr/yr)
Install Labor	14	6	40	3,360	20	75	1,008,000	504
Mgmt/Admin	3	4	30	360	55	75	108,000	54
Sales	1	26	8	208	45	75	62,400	31.2
Engineering	2	3	18	108	45	75	32,400	16.2
Architecture	2	4	12	96	45	75	28,800	14.4
O&M	1	2	12	24	20	75	7,200	3.6
Total Man Years Medium Projects Installed:								623.4
Commercial Size (1,000 kW)								
System Size	Headcount	Duration (weeks)	Weekly Labor (hrs)	Effective Man Hours	Labor Rate (\$/hr)	Target MW	Total Man Hrs	Man Yrs (2000hr/yr)
Install Labor	20	12	40	9,600	20	25	240,000	120
Mgmt/Admin	3	12	25	900	55	25	22,500	11.25
Sales	1.5	39	8	468	45	25	11,700	5.85
Engineering	2	4	18	144	45	25	3,600	1.8
Architecture	2	6	10	120	45	25	3,000	1.5
O&M	2	2	20	80	20	25	2,000	1
Total Man Years Large Scale Projects Installed:								141.4
Aggregate Man Years for 100 MW Target Buildout:								764.8
Estimated Wages Earned for 100 MW Target Buildout:								\$31,806,000

- US Federal Government estimates 1 job creation for every \$100,000.00 in goods/services sold. With an average installation price estimate of \$5/watt, 100MW would result in \$500,000,000.00 in transactional sales. A US Govt based job impact assessment would be 5,000 job creations.
- These jobs would include much of the materials production (panels, wiring, racking, adhesives, etc.), a portion of which would be sourced by SC companies and a portion of which would be outside the state.
- Having a viable commercial solar market in SC would likely be attractive and supportive to industry related manufacturing firms, distribution companies and technology development/R&D looking to expand operations – both domestic and foreign – into SC.

- Consider: North Carolina implemented a state ITC and Renewable Portfolio Standard (0.07% of total kWh sales as a solar carve out, with escalation in 2011) a little over two years ago. Currently, the Secretary of State lists 247 registered solar companies and 59 solar manufacturing companies. If one were to conservatively estimate an average of 10 persons per company, that would translate to nearly 3,000 jobs in the state of NC.

Southeastern US State Income Tax Credit Comparison

State	ITC	Maximum	Provisions
South Carolina	25% - 30%	35,000	Max of \$3,500/yr over 10 years OR 50% of tax payer liability - whichever is less One tax credit per taxpayer entity; one tax credit per building/structure
North Carolina	35%	2,500,000	Cannot exceed 50% of taxpayer liability for a given year, spread equally over 5 years No limits on number of tax credits or buildings as long as cap is not exceeded per building.
Georgia	35%	500,000	Program is capped at an aggregate of 2,500,000 in tax credits issued per fiscal year. No limits on number of tax credits or buildings as long as aggregate does not exceed cap.

Example Commercial Customer Financials (Purchase, Use of power, MACRS)

	SC	NC	GA	SC (proposed)
System size (kW)	250			
Cost/watt	\$5.00			
Turnkey cost	\$1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00
Fed 30% ITC/Grant	(375,000.00)	(375,000.00)	(375,000.00)	(375,000.00)
State ITC	(35,000.00)	(437,500.00)	(437,500.00)	(437,500.00)
Depreciation Benefit (5 yrs)	(425,000.00)	(455,812.50)	(435,625.00)	(425,000.00)
Effective Cost of System (includes Fed tax on State ITC)	427,250.00	134,812.50	155,000.00	165,625.00
Estimated ROI (yrs)	10.5	4.6	4.8	4.9
Owner IRR (25 yr life)	7.92%	16.21%	17.16%	15.13%

Information in this Memorandum was compiled from multiple sources that include realistic and actual man hours for solar developments in the Southeastern US. Many individuals and professionals contributed to the content of this document.

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HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

HARWELL-BEACH/SANDERS
FEBRUARY 16, 2010

CLERK OF THE HOUSE

REP. LOFTIS PROPOSES THE FOLLOWING AMENDMENT
No. TO H. 4478 (DOCUMENTS AND
SETTINGS\RENAGRANT\LOCAL
SETTINGS\TEMPORARY INTERNET
FILES\CONTENT.OUTLOOK\T6ZU7IPO\7665AHB10):

AMEND THE BILL, AS AND IF AMENDED, BY
ADDING AN APPROPRIATELY NUMBERED
SECTION TO READ:

/SECTION ____ . SECTION 63-13-40(D) OF THE
1976 CODE IS AMENDED TO READ:

“(D)(1) TO BE EMPLOYED BY OR TO PROVIDE
CAREGIVER SERVICES AT A CHILDCARE FACILITY
LICENSED, REGISTERED, OR APPROVED UNDER

THIS SUBARTICLE, A PERSON FIRST SHALL UNDERGO A STATE FINGERPRINT-BASED BACKGROUND CHECK TO BE CONDUCTED BY THE STATE LAW ENFORCEMENT DIVISION (SLED) TO DETERMINE ANY STATE CRIMINAL HISTORY, A FINGERPRINT-BASED BACKGROUND CHECK TO BE CONDUCTED BY THE FEDERAL BUREAU OF INVESTIGATION TO DETERMINE ANY OTHER CRIMINAL HISTORY, ~~AND A CENTRAL REGISTRY CHECK TO BE CONDUCTED BY THE DEPARTMENT TO DETERMINE ANY ABUSE OR NEGLECT PERPETRATED BY THE PERSON UPON A CHILD.~~

(2)HOWEVER, A PERSON MAY BE PROVISIONALLY EMPLOYED OR MAY PROVISIONALLY PROVIDE CAREGIVER SERVICES AFTER THE FAVORABLE COMPLETION OF THE STATE LAW ENFORCEMENT DIVISION NAME AND DATE OF BIRTH-BASED BACKGROUND CHECK UNTIL SUCH TIME AS THE SLED AND FEDERAL BUREAU OF INVESTIGATION FINGERPRINT-BASED BACKGROUND CHECKS, AND ~~THE CENTRAL REGISTRY CHECK ARE COMPLETED IF THE~~

PERSON EXECUTES A SWORN STATEMENT ON A FORM PROVIDED BY THE DEPARTMENT THAT HE OR SHE HAS NOT BEEN CONVICTED OF ANY CRIME ENUMERATED IN THIS SECTION AND THAT HE OR SHE IS NOT ON THE CENTRAL REGISTRY FOR HAVING PERPETRATED ABUSE OR NEGLECT UPON A CHILD. A PERSON PROVISIONALLY EMPLOYED MUST BE DIRECTLY SUPERVISED BY A NONPROVISIONALLY EMPLOYED PERSON AT ALL TIMES WHEN PROVIDING DIRECT CARE TO CHILDREN.

(3)PROVISIONAL STATUS WILL BE REPEALED IF THE REQUESTS FOR THE ~~CENTRAL REGISTRY~~~~CHECK~~~~AND~~ SLED AND FBI FINGERPRINT-BASED BACKGROUND CHECKS ARE NOT SENT BY FACSIMILE, MAIL, OR ANOTHER MANNER APPROVED BY THE DEPARTMENT BY THE END OF THE NEXT BUSINESS DAY AFTER THE PERSON WAS EMPLOYED.

(4)IF THE DIRECTOR OF A CHILDCARE FACILITY VIOLATES THE TERMS OF PROVISIONAL EMPLOYMENT, FOR A FIRST OFFENSE, THE

FACILITY MAY NOT EMPLOY A PERSON PROVISIONALLY FOR TWELVE MONTHS. FOR A SECOND OR SUBSEQUENT OFFENSE, THE FACILITY MAY NOT EMPLOY A PERSON PROVISIONALLY FOR TWENTY-FOUR MONTHS. THE PENALTY SHALL APPLY TO ANY FACILITY THAT MAY EMPLOY THE DIRECTOR OF THE FACILITY DURING THE PERIOD OF SUSPENSION. A CHILDCARE FACILITY OWNER WITH FIVE OR MORE FACILITIES THAT SUSTAINS VIOLATIONS IN TWENTY-FIVE PERCENT OR MORE OF FACILITIES OWNED IN THE STATE DURING A PERIOD OF TWO YEARS MAY NOT EMPLOY A PERSON PROVISIONALLY IN ANY FACILITY FOR TWENTY-FOUR MONTHS. THE DEPARTMENT SHALL HAVE AUTHORITY TO DETERMINE THAT A VIOLATION HAS OCCURRED AND SHALL NOTIFY THE OWNER AND THE DIRECTOR IN WRITING OF THE VIOLATION AND THE PENALTY. THE OWNER OR DIRECTOR UNDER PENALTY MAY APPEAL THIS DETERMINATION THROUGH THE PROCESS PROVIDED IN THIS SUBARTICLE FOR APPEAL OF

THE REVOCATION OR DENIAL OF A CHILDCARE LICENSE. AUTHORITY TO EMPLOY PERSONS IN PROVISIONAL STATUS MUST REMAIN SUSPENDED WHILE THE APPEAL IS PENDING. UPON DISPOSITION OF THE APPEAL IN FAVOR OF THE APPELLANT, AUTHORITY TO USE PROVISIONAL STATUS MUST BE RESTORED.

(5) THE RESULTS OF THE FINGERPRINT-BASED BACKGROUND CHECKS ARE VALID AND REVIEWS ARE NOT REQUIRED TO BE REPEATED AS LONG AS THE PERSON REMAINS EMPLOYED BY OR CONTINUES PROVIDING CAREGIVER SERVICES IN A CHILDCARE CENTER, GROUP CHILDCARE HOME, FAMILY CHILDCARE HOME, OR CHURCH OR RELIGIOUS CHILDCARE CENTER; HOWEVER, IF A PERSON IS NOT EMPLOYED OR DOES NOT PROVIDE CAREGIVER SERVICES FOR ONE YEAR OR LONGER, THE FINGERPRINT REVIEWS MUST BE REPEATED.

~~(6) FOR PROVISIONAL EMPLOYMENT UNDER THIS SECTION, THE DEPARTMENT MUST COMPLETE THE CENTRAL REGISTRY CHECK~~

~~WITHIN TWO BUSINESS DAYS OF RECEIPT OF THE REQUEST. FOR OTHER EMPLOYMENT UNDER THIS SECTION, THE DEPARTMENT MUST COMPLETE THE CENTRAL REGISTRY CHECK WITHIN FIVE BUSINESS DAYS OF RECEIPT OF THE REQUEST. IF THE DEPARTMENT NOTIFIES THE PROVIDER THAT RESEARCH INTO OTHER RECORDS IS REQUIRED, THESE DEADLINES MAY BE EXTENDED FOR UP TO TEN ADDITIONAL BUSINESS DAYS.” /~~

○ RENUMBER SECTIONS TO CONFORM.

AMEND TITLE TO CONFORM.

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THIS AMENDMENT
ADOPTED

DRAFFIN/SHACKELFORD
FEBRUARY 16, 2010

CLERK OF THE HOUSE

REP. LOFTIS PROPOSES THE FOLLOWING AMENDMENT
No. TO H. 4478 (DOCUMENTS AND
SETTINGS\RENAGRANT\LOCAL
SETTINGS\TEMPORARY INTERNET
FILES\CONTENT.OUTLOOK\T6ZU7IPO\22499SD10):

AMEND THE BILL, AS AND IF AMENDED, BY
ADDING A NEW SECTION TO BE APPROPRIATELY
NUMBERED, WHICH SHALL READ:

/ SECTION 1. SECTION 12-37-220(B) OF
THE 1976 CODE IS AMENDED BY ADDING A NEW
ITEM TO BE APPROPRIATELY NUMBERED WHICH
SHALL READ:

“() (A) NOTWITHSTANDING SECTION
12-43-220, THE REAL PROPERTY OWNED BY A

LICENSED PRIVATE CHILDCARE CENTER IS EXEMPT FROM ALL PROPERTY TAXES IMPOSED FOR SCHOOL OPERATING PURPOSES OR SHALL HAVE A FOUR PERCENT ASSESSMENT RATIO, WHICHEVER RESULTS IN A LOWER AMOUNT OF TAX ON A YEAR BY YEAR BASIS. THIS ONLY APPLIES TO LICENSED PRIVATE CHILDCARE CENTERS LOCATED IN A SCHOOL DISTRICT THAT OFFERS MORE PREKINDERGARTEN CLASSES THAN ARE REQUIRED BY STATE LAW.

(B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, PROPERTY EXEMPTED FROM PROPERTY TAX IN THE MANNER PROVIDED IN THIS ITEM IS CONSIDERED TAXABLE PROPERTY FOR PURPOSES OF BONDED INDEBTEDNESS PURSUANT TO SECTION 15 OF ARTICLE X OF THE CONSTITUTION OF THIS STATE.” /

**RENUMBER SECTIONS TO CONFORM.
AMEND TITLE TO CONFORM.**

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

DRAFFIN/MORGAN
FEBRUARY 16, 2010

#6

CLERK OF THE HOUSE

REP. COOPER PROPOSES THE FOLLOWING AMENDMENT
No. TO H. 4478 (COUNCIL\AGM\19852SD10):

REFERENCE IS TO THE BILL AS INTRODUCED.

AMEND THE BILL, AS AND IF AMENDED, BY
ADDING AN APPROPRIATELY NUMBERED
SECTION TO READ:

/ SECTION ____ . CHAPTER 6, TITLE 12 OF THE
1976 CODE IS AMENDED BY ADDING:

“SECTION 12-6-3588. (A) THE GENERAL
ASSEMBLY HAS DETERMINED TO ENACT THE
SOUTH CAROLINA RENEWABLE ENERGY TAX
INCENTIVE PROGRAM AS CONTAINED IN THIS
SECTION TO ENCOURAGE BUSINESS INVESTMENT

THAT WILL PRODUCE HIGH QUALITY EMPLOYMENT OPPORTUNITIES AND ENHANCE THIS STATE'S POSITION AS A CENTER FOR PRODUCTION AND USE OF RENEWABLE ENERGY PRODUCTS. THE PROGRAM ACCOMPLISHES THIS GOAL BY PROVIDING TAX INCENTIVES TO COMPANIES IN THE SOLAR, WIND, GEOTHERMAL, AND OTHER RENEWABLE ENERGY INDUSTRIES WHO ARE EXPANDING OR LOCATING IN SOUTH CAROLINA.

(B) AS USED IN THIS SECTION:

(1) CAPITAL INVESTMENT MEANS AN EXPENDITURE TO ACQUIRE, LEASE, OR IMPROVE PROPERTY THAT IS USED IN OPERATING A BUSINESS, INCLUDING LAND, BUILDINGS, MACHINERY, AND FIXTURES.

(2) MANUFACTURING MEANS FABRICATING, PRODUCING, OR MANUFACTURING RAW OR UNPREPARED MATERIALS INTO USABLE PRODUCTS, IMPARTING NEW FORMS, QUALITIES, PROPERTIES, AND COMBINATIONS. MANUFACTURING DOES NOT INCLUDE

GENERATING ELECTRICITY FOR OFF-SITE CONSUMPTION.

(3) QUALIFYING INVESTMENT MEANS INVESTMENT IN LAND, BUILDINGS, MACHINERY, AND FIXTURES FOR EXPANSION OF AN EXISTING FACILITY OR ESTABLISHMENT OF A NEW FACILITY IN THIS STATE. QUALIFYING INVESTMENT DOES NOT INCLUDE RELOCATING AN EXISTING FACILITY IN THIS STATE TO ANOTHER LOCATION IN THIS STATE WITHOUT ADDITIONAL CAPITAL INVESTMENT.

(4) RENEWABLE ENERGY OPERATIONS ARE LIMITED TO MANUFACTURERS OF SYSTEMS AND COMPONENTS THAT ARE USED OR USEFUL IN MANUFACTURING RENEWABLE ENERGY EQUIPMENT FOR THE GENERATION, STORAGE, TESTING AND RESEARCH AND DEVELOPMENT, AND TRANSMISSION OR DISTRIBUTION OF ELECTRICITY FROM RENEWABLE SOURCES, INCLUDING SPECIALIZED PACKAGING FOR THE RENEWABLE ENERGY EQUIPMENT MANUFACTURED AT THE FACILITY.

(C) A BUSINESS OR CORPORATION MEETING THE REQUIREMENTS OF THIS SECTION BEGINNING IN 2010 IS ELIGIBLE TO RECEIVE A TEN PERCENT NONREFUNDABLE INCOME TAX CREDIT OF THE COST OF THE COMPANY'S TOTAL QUALIFYING INVESTMENTS IN PLANT AND EQUIPMENT IN THIS STATE FOR RENEWABLE ENERGY OPERATIONS.

(D) THE BUSINESS OR CORPORATION MUST:

(1) MANUFACTURE RENEWABLE ENERGY SYSTEMS AND COMPONENTS IN SOUTH CAROLINA FOR SOLAR, WIND, GEOTHERMAL, OR OTHER RENEWABLE ENERGY USES IN ORDER TO BE ELIGIBLE FOR THE TAX CREDIT AUTHORIZED BY THIS SECTION;

(2) INVEST AT LEAST FIVE HUNDRED THOUSAND DOLLARS IN THE YEAR THE TAX CREDIT IS CLAIMED IN NEW QUALIFYING PLANT AND EQUIPMENT; AND

(3) HAVE CREATED ONE AND ONE-HALF FULLTIME JOBS FOR EVERY FIVE HUNDRED THOUSAND DOLLARS OF CAPITAL INVESTMENT QUALIFYING FOR THE CREDIT THAT EACH PAYS

AT LEAST ONE HUNDRED TWENTY-FIVE PERCENT OF THIS STATE'S AVERAGE ANNUAL MEDIAN WAGE AS DEFINED BY THE DEPARTMENT OF COMMERCE .

(E) THE INCOME TAX CREDIT PROGRAM IS FOR A FIVE-YEAR PERIOD BEGINNING JANUARY 1, 2010, AND ENDING DECEMBER 31, 2015.

(F) A TAXPAYER MAY SEPARATELY QUALIFY FOR NEW FACILITIES IN SEPARATE LOCATIONS OR FOR SEPARATE EXPANSIONS OF EXISTING FACILITIES LOCATED IN THIS STATE.

(G) A TAXPAYER'S TOTAL CREDIT FOR ALL EXPENDITURES ALLOWED PURSUANT TO THIS SECTION MUST NOT EXCEED FIVE HUNDRED THOUSAND DOLLARS FOR ANY YEAR AND FIVE MILLION DOLLARS TOTAL FOR ALL YEARS. UNUSED CREDITS MAY BE CARRIED FORWARD FOR FIFTEEN YEARS AFTER THE TAX YEAR IN WHICH A QUALIFIED EXPENDITURE WAS MADE. THE CREDIT IS NONREFUNDABLE.

(H) EXPENDITURES QUALIFYING FOR A TAX CREDIT ALLOWED BY THIS SECTION MUST BE

CERTIFIED BY THE STATE ENERGY OFFICE. THE STATE ENERGY OFFICE MAY CONSULT WITH APPROPRIATE STATE AND FEDERAL OFFICIALS ON STANDARDS FOR CERTIFICATION.

(I) TO OBTAIN THE AMOUNT OF THE CREDIT AVAILABLE TO A TAXPAYER, EACH TAXPAYER MUST SUBMIT A REQUEST FOR THE CREDIT TO THE STATE ENERGY OFFICE BY JANUARY THIRTY-FIRST FOR QUALIFYING EXPENSES INCURRED IN THE PREVIOUS CALENDAR YEAR AND THE STATE ENERGY OFFICE MUST NOTIFY THE TAXPAYER THAT THE SUBMITTED EXPENDITURES QUALIFY FOR THE CREDIT AND THE AMOUNT OF CREDIT ALLOCATED TO SUCH TAXPAYER BY MARCH FIRST OF THAT YEAR. A TAXPAYER MAY CLAIM THE MAXIMUM AMOUNT OF THE CREDIT FOR ITS TAXABLE YEAR WHICH CONTAINS THE DECEMBER THIRTY-FIRST OF THE PREVIOUS CALENDAR YEAR. THE DEPARTMENT OF COMMERCE MUST CERTIFY TO THE STATE ENERGY OFFICE THAT THE TAXPAYER HAS MET

**THE JOB CREATION REQUIREMENTS OF
SUBSECTION (D)(4).**

**(J)THE CREDITS AUTHORIZED BY THIS
SECTION ARE IN LIEU OF ANY OTHER APPLICABLE
INCOME TAX CREDITS ALLOWED BY STATE LAW,
AND IN THE EVENT OF AN OVERLAP OR CONFLICT
IN AVAILABLE CREDITS TO A TAXPAYER, THE
TAXPAYER MUST SELECT THE CREDIT HE DESIRES
IN THE MANNER PRESCRIBED BY THE
DEPARTMENT OF REVENUE TO THE EXTENT THE
CREDITS CONFLICT OR OVERLAP.” /**

**RENUMBER SECTIONS TO CONFORM.
AMEND TITLE TO CONFORM.**

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

No. 8

BEESON/SHACKELFORD
FEBRUARY 17, 2010

CLERK OF THE HOUSE

REP. BINGHAM PROPOSES THE FOLLOWING AMENDMENT
No. to H. 4478 (DOCUMENTS AND
SETTINGS\RENAGRANT\LOCAL
SETTINGS\TEMPORARY INTERNET
FILES\CONTENT.OUTLOOK\T6ZU7IPO\22508AB10):

REFERENCE IS TO PRINTER'S DATE 1/28/10-H.

**AMEND THE BILL, AS AND IF AMENDED, BY
INSERTING AN APPROPRIATELY NUMBERED
SECTION TO READ:**

**/ SECTION ____ . CHAPTER 52, TITLE 48 OF
THE 1976 CODE IS AMENDED BY ADDING:**

“ARTICLE 13

SOUTH CAROLINA RENEWABLE ENERGY PLAN

SECTION 48-52-1110. (A) THE PUBLIC SERVICE COMMISSION MAY APPROVE A RENEWABLE ENERGY PROJECT TO DEMONSTRATE THE FEASIBILITY AND VIABILITY OF A CLEAN ENERGY SYSTEM. THE COMMISSION SHALL PROVIDE FOR FULL COST RECOVERY OF A REASONABLE AND PRUDENT COST INCURRED BY A PROVIDER FOR A RENEWABLE ENERGY PROJECT THAT IS LOW GREENHOUSE GAS EMITTING AT THE POINT OF GENERATION, UP TO A TOTAL OF 100 MEGAWATTS ANNUALLY FOR A UTILITY AND FOR WHICH THE PROVIDER HAS SECURED NECESSARY LAND, ZONING PERMITS, AND TRANSMISSION RIGHTS WITHIN THE STATE. A COST IS CONSIDERED REASONABLE AND PRUDENT FOR THE PURPOSE OF COST RECOVERY IF THE PROVIDER USES REASONABLE AND CUSTOMARY INDUSTRY PRACTICES IN THE DESIGN, PROCUREMENT, AND CONSTRUCTION OF THE

PROJECT IN A COST-EFFECTIVE MANNER APPROPRIATE TO THE LOCATION OF THE FACILITY. AS PART OF A COST-RECOVERY PROCEEDING, THE PROVIDER SHALL REPORT TO THE COMMISSION THE CONSTRUCTION COSTS, IN-SERVICE COSTS, OPERATING AND MAINTENANCE COSTS, AND HOURLY ENERGY PRODUCTION OF THE RENEWABLE ENERGY PROJECT, AND OTHER INFORMATION THE COMMISSION CONSIDERS RELEVANT.

(B) THE PROVISIONS OF THIS SECTION MAY NOT BE CONSTRUED TO IMPEDE OR IMPAIR A TERM OR CONDITION OF AN EXISTING CONTRACT.

(C) THE COMMISSION MAY ADOPT APPROPRIATE GOALS FOR INCREASING THE USE OF EXISTING, EXPANDED, AND NEW SOUTH CAROLINA RENEWABLE ENERGY RESOURCES.

(D) THE COMMISSION MAY ADOPT RULES AND REGULATIONS TO ADMINISTER AND IMPLEMENT THE PROVISIONS OF THIS SECTION.

(E) EACH MUNICIPAL ELECTRIC UTILITY, EACH RURAL ELECTRIC COOPERATIVE, AND THE SOUTH CAROLINA PUBLIC SERVICE AUTHORITY SHALL DEVELOP STANDARDS FOR THE PROMOTION,

ENCOURAGEMENT, AND EXPANSION OF THE USE OF RENEWABLE ENERGY RESOURCES IN THEIR SERVICE TERRITORIES. BEFORE JANUARY 2, 2010, AND ANNUALLY AFTERWARD, EACH MUNICIPAL ELECTRIC UTILITY, EACH RURAL ELECTRIC COOPERATIVE, AND THE SOUTH CAROLINA PUBLIC SERVICE AUTHORITY SHALL SUBMIT TO THE SOUTH CAROLINA ENERGY OFFICE A REPORT THAT IDENTIFIES THESE STANDARDS.

SECTION 48-52-1120. (A)(1) THERE IS ESTABLISHED IN THE STATE TREASURY A SEPARATE AND DISTINCT FUND KNOWN AS THE 'SOUTH CAROLINA RENEWABLE ENERGY INFRASTRUCTURE DEVELOPMENT FUND'. THE REVENUE OF THE FUND MUST BE DISTRIBUTED BY THE SOUTH CAROLINA RENEWABLE ENERGY REVOLVING LOAN PROGRAM AND THE SOUTH CAROLINA RENEWABLE ENERGY GRANT PROGRAM. THE SOUTH CAROLINA RENEWABLE ENERGY OVERSIGHT COMMITTEE SHALL APPROVE DISBURSEMENT OF THESE FUNDS BY THE LOAN AND GRANT PROGRAMS. THE COMMITTEE MUST CONSIST OF SEVEN MEMBERS; ONE APPOINTED BY EACH OF THE FOLLOWING PERSONS: THE GOVERNOR, THE COMMISSIONER OF AGRICULTURE, THE SECRETARY OF COMMERCE, THE PRESIDENT PRO TEMPORE OF THE SENATE, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE CHAIRMAN OF THE SENATE FINANCE COMMITTEE, AND THE CHAIRMAN OF THE HOUSE WAYS AND MEANS COMMITTEE.

(2) THE SOUTH CAROLINA RENEWABLE ENERGY REVOLVING LOAN PROGRAM SHALL PROVIDE A LOW INTEREST LOAN TO AN INDIVIDUAL OR ORGANIZATION THAT PLANS TO BUILD A QUALIFIED RENEWABLE ENERGY PRODUCTION FACILITY. A RENEWABLE ENERGY PRODUCTION FACILITY IS A FACILITY THAT PRODUCES ENERGY, FUEL FOR ENERGY, OR TRANSPORTATION FUELS FROM BIOMASS, SOLAR, OR WIND RESOURCES. A LOAN FROM THE PROGRAM MAY PROVIDE UP TO FIFTY PERCENT OF THE TOTAL COST OF A PROJECT, BUT MAY NOT

EXCEED TWO HUNDRED FIFTY THOUSAND DOLLARS FOR A PROJECT. THE DEPARTMENT OF AGRICULTURE, IN COOPERATION WITH THE STATE ENERGY OFFICE, SHALL ADMINISTER THE SOUTH CAROLINA RENEWABLE ENERGY REVOLVING LOAN PROGRAM.

(3) THE SOUTH CAROLINA RENEWABLE ENERGY GRANT PROGRAM SHALL PROVIDE GRANTS TO PRIVATE AND PUBLIC ENTITIES LOCATED IN SOUTH CAROLINA FOR THE PURPOSE OF HELPING THE ENTITY BECOME MORE COMPETITIVE IN OBTAINING FEDERAL AND OTHER AVAILABLE GRANTS THAT MAY GENERATE RENEWABLE ENERGY-RELATED RESEARCH AND PROJECTS TO DIRECTLY BENEFIT THE STATE. THE DEPARTMENT OF AGRICULTURE, IN COOPERATION WITH THE STATE ENERGY OFFICE AND THE SOUTH CAROLINA RESEARCH AUTHORITY, SHALL ADMINISTER THE SOUTH CAROLINA RENEWABLE ENERGY GRANT PROGRAM. GRANTS ARE AVAILABLE IN THE FOLLOWING THREE CATEGORIES:

(A) A PLANNING GRANT LESS THAN TEN THOUSAND DOLLARS IS AVAILABLE TO A RESEARCH INSTITUTION OR PRIVATE ORGANIZATION SEEKING TO DEVELOP A PROPOSAL TO OBTAIN A FEDERAL GRANT AND ANOTHER FUNDING SOURCE FOR BIOMASS, SOLAR, GEOTHERMAL, WIND, WAVE, TIDAL, AND SMALL HYDROPOWER ENERGY RESOURCES IN THIS STATE;

(B) A MATCHING GRANT LESS THAN TWO HUNDRED THOUSAND DOLLARS IS AVAILABLE FOR A RESEARCH AND DEVELOPMENT PROJECT RELATED TO DEVELOPMENT OF BIOMASS, SOLAR, GEOTHERMAL, WIND, WAVE, TIDAL, AND SMALL HYDROPOWER ENERGY RESOURCES IN THIS STATE, PROVIDED THAT THIS GRANT DOES NOT EXCEED FIFTY PERCENT OF THE TOTAL COST OF THE PROJECT; AND

(C) A MATCHING GRANT LESS THAN TWO HUNDRED THOUSAND DOLLARS IS AVAILABLE FOR A DEMONSTRATION PROJECT THAT VALIDATES THE EFFECTIVENESS OF NEW AND FUTURE BIOMASS, SOLAR, GEOTHERMAL, WIND, WAVE, TIDAL, AND SMALL HYDROPOWER

RESOURCES IN THIS STATE, PROVIDED THIS GRANT DOES NOT EXCEED FIFTY PERCENT OF THE TOTAL COST OF THE DEMONSTRATION PROJECT.

(B) FOR PURPOSES OF THIS ARTICLE 'BIOMASS' HAS THE MEANINGS PROVIDED IN SECTION 12-6-3631(B)(1)(B) AND (C) AND SECTION 12-63-20(B)(2).

(C) THE DEPARTMENT OF AGRICULTURE MAY PRESCRIBE FORMS AND PROCEDURES, ISSUE POLICY DOCUMENTS, AND DISTRIBUTE FUNDS AS NECESSARY TO ENSURE THE ORDERLY AND TIMELY IMPLEMENTATION OF A PROVISION OF THIS SECTION. THE DEPARTMENT OF AGRICULTURE SHALL COORDINATE ITS EFFORTS WITH THE EFFORTS OF THE STATE ENERGY OFFICE AS NECESSARY." /

AMEND THE BILL FURTHER, AS AND IF AMENDED, BY ADDING AN APPROPRIATELY NUMBERED SECTION TO READ:

/ SECTION ____ . SECTION 12-6-3631(B)(1)(B) AND (C) OF THE 1976 CODE, AS LAST AMENDED BY ACT 261 OF 2008, IS FURTHER AMENDED TO READ:

“(B)BEST AND MOST COST EFFICIENT FEEDSTOCKS FOR SOUTH CAROLINA; OR

(C) PRODUCT AND DEVELOPMENT, INCLUDING CELLULOSIC ETHANOL OR ALGAE-DERIVED BIODIESEL PRODUCTS; OR

(D) DEMETHYLATION OF GLYCERIN BYPRODUCT FROM BIODIESEL PRODUCTION.” /

AMEND THE BILL FURTHER, AS AND IF AMENDED, BY ADDING AN APPROPRIATELY NUMBERED SECTION TO READ:

/ SECTION ____ . SECTION 12-63-20(B)(2) OF THE 1976 CODE, AS LAST AMENDED BY ACT 261 OF 2008, IS FURTHER AMENDED TO READ:

“(2)FOR PURPOSES OF THIS SUBSECTION, A BIOMASS RESOURCE MEANS WOOD, WOOD WASTE, AGRICULTURAL WASTE, ANIMAL WASTE, SEWAGE, LANDFILL GAS, NONHAZARDOUS INDUSTRIAL SOLID WASTE, MATERIALS RECOVERED BY A MATERIALS RECOVERY FACILITY (MRF) AS DEFINED IN CHAPTER 96 OF TITLE 44, THE SOLID WASTE POLICY AND MANAGEMENT ACT, AND OTHER ORGANIC MATERIALS, NOT INCLUDING FOSSIL FUELS.” /

AMEND THE BILL, AS AND IF AMENDED, BY ADDING AN APPROPRIATELY NUMBERED SECTION TO READ:

/ SECTION ____ . SECTION 46-3-260(A)(2)(C) OF THE 1976 CODE, AS LAST AMENDED BY ACT 261 OF 2008, IS FURTHER AMENDED TO READ:

“(C) MATCHING GRANTS UP TO TWO HUNDRED THOUSAND DOLLARS ARE AVAILABLE FOR DEMONSTRATION PROJECTS THAT VALIDATE THE EFFECTIVENESS OF NEW AND FUTURE BIOMASS, AS DEFINED IN SECTION 12-63-20(B)(2), SOLAR, GEOTHERMAL, WIND ENERGY, NONHAZARDOUS INDUSTRIAL SOLID WASTE, MATERIALS RECOVERY FACILITY (MRF) RECOVERED SOLID WASTE, AND SMALL HYDROPOWER TECHNOLOGIES AND PRODUCTS, PROVIDED THAT THE GRANT DOES NOT EXCEED FIFTY PERCENT OF THE TOTAL COST OF THE DEMONSTRATION PROJECT.”/

**RENUMBER SECTIONS TO CONFORM.
AMEND TITLE TO CONFORM.**

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

9

HARWELL-BEACH/SANDERS
FEBRUARY 17, 2010

CLERK OF THE HOUSE

REP. *Rice* PROPOSES THE FOLLOWING AMENDMENT
No. TO H. 4478 (COUNCIL\MS\7681AHB10):

**AMEND THE BILL, AS AND IF AMENDED, BY
DELETING SECTION 23 IN ITS ENTIRETY AND
INSERTING:**

**/SECTION 23. SECTION 12-20-105 OF THE
1976 CODE, AS LAST AMENDED BY ACT 313 OF
2008, IS FURTHER AMENDED TO READ:**

**“SECTION 12-20-105. (A) ANY COMPANY
SUBJECT TO A LICENSE TAX UNDER SECTION
12-20-100 MAY CLAIM A CREDIT AGAINST ITS
LICENSE TAX LIABILITY FOR AMOUNTS PAID IN
CASH TO PROVIDE INFRASTRUCTURE FOR AN
ELIGIBLE PROJECT.**

(B)(1) TO BE CONSIDERED AN ELIGIBLE PROJECT FOR PURPOSES OF THIS SECTION, THE PROJECT MUST QUALIFY FOR INCOME TAX CREDITS UNDER CHAPTER 6, TITLE 12, WITHHOLDING TAX CREDIT UNDER CHAPTER 10, TITLE 12, INCOME TAX CREDITS UNDER CHAPTER 14, TITLE 12, OR FEES IN LIEU OF PROPERTY TAXES UNDER EITHER CHAPTER 12, TITLE 4, CHAPTER 29, TITLE 4, OR CHAPTER 44, TITLE 12.

(2) IF A PROJECT ~~CONSISTS OF~~ IS LOCATED IN AN OFFICE, BUSINESS, COMMERCIAL, OR INDUSTRIAL PARK, OR COMBINATION OF THESE, IS USED EXCLUSIVELY FOR ECONOMIC DEVELOPMENT ~~WHICH~~ AND IS OWNED OR CONSTRUCTED BY A COUNTY ~~OR~~ POLITICAL SUBDIVISION, OR AGENCY OF THIS STATE WHEN THE QUALIFYING IMPROVEMENTS ARE PAID FOR, THE PROJECT DOES NOT HAVE TO MEET THE QUALIFICATIONS OF ITEM (1) TO BE CONSIDERED AN ELIGIBLE PROJECT. AS PROVIDED IN SUBSECTION (C)(4), THE COUNTY OR POLITICAL SUBDIVISION MAY SELL ALL OR A PORTION OF THE BUSINESS OR INDUSTRIAL PARK.

(C) FOR THE PURPOSE OF THIS SECTION, “INFRASTRUCTURE” MEANS IMPROVEMENTS FOR WATER, WASTEWATER, HYDROGEN FUEL, SEWER, GAS, STEAM, ELECTRIC ENERGY, AND COMMUNICATION SERVICES MADE TO A BUILDING OR LAND THAT ARE CONSIDERED NECESSARY, SUITABLE, OR USEFUL TO AN ELIGIBLE PROJECT. THESE IMPROVEMENTS INCLUDE, BUT ARE NOT LIMITED TO:

(1)IMPROVEMENTS TO BOTH PUBLIC OR PRIVATE WATER AND SEWER SYSTEMS;

(2)IMPROVEMENTS TO BOTH PUBLIC OR PRIVATE ELECTRIC, NATURAL GAS, AND TELECOMMUNICATIONS SYSTEMS INCLUDING, BUT NOT LIMITED TO, ONES OWNED OR LEASED BY AN ELECTRIC COOPERATIVE, ELECTRIC UTILITY, OR ELECTRIC SUPPLIER, AS DEFINED IN CHAPTER 27, TITLE 58;

(3)FIXED TRANSPORTATION FACILITIES INCLUDING HIGHWAY, ROAD, RAIL, WATER, AND AIR;

(4) FOR A QUALIFYING PROJECT UNDER SUBSECTION (B)(2), INFRASTRUCTURE IMPROVEMENTS INCLUDE SHELL BUILDINGS,

INCUBATOR BUILDINGS WHOSE OWNERSHIP IS RETAINED BY THE COUNTY, POLITICAL SUBDIVISION, OR AGENCY OF THE STATE AND THE PURCHASE OF LAND FOR AN OFFICE, BUSINESS, COMMERCIAL, OR INDUSTRIAL PARK, OR COMBINATION OF THESE, USED EXCLUSIVELY FOR ECONOMIC DEVELOPMENT WHICH IS OWNED OR CONSTRUCTED BY A COUNTY ~~OR~~, POLITICAL SUBDIVISION, OR AGENCY OF THIS STATE. THE COUNTY ~~OR~~, POLITICAL SUBDIVISION, OR AGENCY MAY SELL THE SHELL BUILDING OR ALL OR A PORTION OF THE PARK AT ANY TIME AFTER THE COMPANY HAS PAID IN CASH TO PROVIDE THE INFRASTRUCTURE FOR AN ELIGIBLE PROJECT; AND

(5) FOR A QUALIFYING PROJECT PURSUANT TO SUBSECTION (B)(2), INFRASTRUCTURE IMPROVEMENTS ALSO INCLUDE DUE DILIGENCE EXPENDITURES RELATING TO ENVIRONMENTAL CONDITIONS MADE BY A COUNTY OR POLITICAL SUBDIVISION AFTER IT HAS ACQUIRED CONTRACTUAL RIGHTS TO AN INDUSTRIAL PARK. DUE DILIGENCE EXPENDITURES INCLUDE SUCH ITEMS AS PHASE I AND II STUDIES AND ENVIRONMENTAL OR ARCHEOLOGICAL STUDIES REQUIRED BY STATE OR FEDERAL STATUTES OR GUIDELINES OR SIMILAR LENDER REQUIREMENTS. CONTRACTUAL RIGHTS INCLUDE OPTIONS TO PURCHASE REAL PROPERTY OR OTHER SIMILAR CONTRACTUAL RIGHTS ACQUIRED BEFORE THE COUNTY OR POLITICAL SUBDIVISION FILES A DEED TO THE PROPERTY WITH THE REGISTER OF MESNE CONVEYANCES.

(D) A COMPANY IS NOT ALLOWED THE CREDIT PROVIDED BY THIS SECTION FOR ACTUAL EXPENSES IT INCURS IN THE CONSTRUCTION AND OPERATION OF ANY BUILDING OR INFRASTRUCTURE IT OWNS, LEASES, MANAGES, OR OPERATES.

(E) THE MAXIMUM AGGREGATE CREDIT THAT MAY BE CLAIMED IN ANY TAX YEAR BY A SINGLE COMPANY IS THREE HUNDRED THOUSAND DOLLARS.

(F) THE CREDITS ALLOWED BY THIS SECTION MAY NOT REDUCE THE LICENSE TAX LIABILITY OF THE COMPANY BELOW ZERO. IF THE APPLICABLE CREDIT ORIGINALLY EARNED DURING A TAXABLE YEAR

EXCEEDS THE LIABILITY AND IS OTHERWISE ALLOWABLE UNDER SUBSECTION (D), THE AMOUNT OF THE EXCESS MAY BE CARRIED FORWARD TO THE NEXT TAXABLE YEAR.

(G) FOR SOUTH CAROLINA INCOME TAX AND LICENSE PURPOSES, A COMPANY THAT CLAIMS THE CREDIT ALLOWED BY THIS SECTION IS INELIGIBLE TO CLAIM THE CREDIT ALLOWED BY SECTION 12-6-3420.” /

RENUMBER SECTIONS TO CONFORM.

AMEND TITLE TO CONFORM.

HOUSE
AMENDMENT

THIS AMENDMENT
ADOPTED

10 9

FEBRUARY 17, 2010

CLERK OF THE HOUSE

REP. MERRILL PROPOSES THE FOLLOWING AMENDMENT
No. TO H. 4478:

AMEND THE BILL, AS AND IF AMENDED, BY ADDING AN
APPROPRIATELY NUMBERED SECTION TO READ:

/"Section 12-6-3376. (A) For taxable years beginning after 2007, ~~and before 2011~~, a taxpayer is allowed a tax credit against the income tax imposed pursuant to this chapter for the in-state purchase or lease of a plug-in hybrid vehicle.

A plug-in hybrid vehicle is a vehicle that:

- (1) shares the same benefits as an internal combustion and electric engine with an all-electric range of no less than nine miles;
- (2) has four or more wheels;
- (3) draws propulsion using a traction battery;
- (4) has at least four kilowatt hours of battery capacity; and
- (5) uses an external source of energy to recharge the battery.

Qualified plug-in hybrid vehicles also must be manufactured primarily for use on public streets, roads, highways, and not be classified as low or medium speed vehicles. Low-speed vehicles are vehicles capable of a speed of at least twenty but not more than twenty-five miles per hour,

is used primarily for short trips and recreational purposes, and has safety equipment such as lights, reflectors, mirrors, parking brake, windshield, and safety belts. Medium-speed vehicles are vehicles capable of a speed of at least thirty but not more than thirty-five miles per hour and has safety equipment such as lights, reflectors, mirrors, parking brake, windshield, and safety belts.

The credit is equal to two thousand dollars. The credit allowed by this section is nonrefundable and if the amount of the credit exceeds the taxpayer's liability for the applicable taxable year, any unused credit may be carried forward for five years.

(B) Notwithstanding the credit amount allowed pursuant to this section, for a fiscal year all claims made pursuant to this section must not exceed two hundred thousand dollars and must apply proportionately to all eligible claimants; provided, that beginning with fiscal year 2010, all claims made pursuant to this section must not exceed five hundred thousand dollars a fiscal year and shall apply to eligible claimants on a first-come, first-serve basis as determined by the Department of Revenue in a manner it prescribes until the total allowable credits for that fiscal year are exhausted."

SECTION 2. This act takes effect upon approval by the Governor. /